

349.035 Application of chapter -- Prohibition of waste -- Permits required -- Notification to state and federal agencies.

- (1) This chapter shall apply to all lands located in the Commonwealth however owned including lands owned or administered by any government or any agency or political subdivision thereof, over which the Commonwealth has jurisdiction under its police power.
- (2) The waste of coalbed methane is hereby prohibited. The waste prohibited includes physical waste as that term is generally understood in the oil, gas, and coalbed methane industry, giving consideration to coal mining operations and the safe recovery of coal and includes:
 - (a) The locating, drilling, equipping, operating, or producing of any coalbed methane well or wells drilled, deepened, or reopened in a manner that causes or tends to cause a reduction in the quantity of coalbed methane ultimately recoverable from a pool under prudent and proper operations, or contrary to any provision of, or any order, rule or administrative regulation promulgated or issued under this chapter;
 - (b) Permitting the migration of coalbed methane from the stratum in which it is found into other strata, thereby ultimately resulting in the loss of recoverable coalbed methane;
 - (c) The drowning with water of any stratum or part thereof capable of producing coalbed methane in paying quantities, except for secondary recovery purposes, or in hydraulic fracturing or other completion practices;
 - (d) The unlawful damage to underground, fresh, or mineral water supply, coalbeds, or other mineral deposits in the operations for the discovery, development, production, or handling of coalbed methane;
 - (e) The unnecessary or excessive loss of coalbed methane by spillage or venting or destruction of coalbed methane or its constituents; and
 - (f) The drilling of more wells than are reasonably required to recover efficiently the maximum amount of coalbed methane from a pool.
- (3) For purposes of this chapter, waste does not include coalbed methane vented or released from any mine area, the degasification of a coal seam for the safe recovery of coal, the plugging of coalbed methane wells for the safe recovery of coal, or the conversion of coalbed methane wells to vent holes for the safe recovery of coal.
- (4) The sale or use of coalbed methane from any coalbed methane well unless a permit has been issued as required by KRS 349.040, or in violation of the spacing provisions of KRS 349.075, shall be prohibited.
- (5) No person shall conduct coalbed methane operations unless that person has first obtained the necessary permits, including surface discharge and underground injection control permits, as appropriate for the particular operation to be conducted. The department shall notify state and federal agencies with jurisdiction over the protection of surface waters and groundwater when permit applications are filed and shall, to the extent possible, coordinate permit review.

Effective: July 13, 2004

History: Created 2004 Ky. Acts ch. 65, sec. 7, effective July 13, 2004.